

**May 2005**

**Conservation Reserve Enhancement Program (CREP II)  
(Northwest Area)**

**Overview**

The Conservation Reserve Enhancement Program (CREP II) is a federal-state natural resource conservation program that works to meet state environmental objectives and to protect environmentally sensitive land on 120,000 acres in parts of Northwest, Southeast, and Southwestern Minnesota. Under CREP II, program participants voluntarily enroll certain practices in the USDA's Farm Service Agency (FSA) Conservation Reserve Program (CRP) and the Minnesota Re-invest in Minnesota (RIM) program.

Under CREP II, participants receive financial incentives for both the CRP and RIM contracts for removing cropland from agricultural production and converting the land to native grasses, trees, and other native vegetation. CRP is authorized by the Food Security Act of 1985, as amended.

CRP contracts are for 14-15 years and RIM easements are for 45 years or permanent (an exception is contour grass strips in Southeast Minnesota, which is restricted to 14 to 15-year CRP contracts only). The total cost over a 14- 15-year period is about \$250 million, with FSA contributing \$200 million and the state funding \$53 million. The \$250 million does not include any costs that may be assumed by producers.

Minnesota CREP II targets enrollment to environmentally sensitive acreage in the Red River Watershed in northwestern Minnesota, the Lower Mississippi Watershed in southeastern Minnesota and the Missouri/Des Moines River Watershed in southwestern Minnesota.

The program is a results-oriented community-centered cooperative project among landowners, FSA, Minnesota Board of Water and Soil Resources (BWSR), local Soil and Water Conservation Districts (SWCD), Watershed Districts, Natural Resources Conservation Service (NRCS), and other partners.

**Benefits**

The program will convert environmentally sensitive cropland to native vegetation in order to improve water quality, reduce soil erosion, increase flood water storage, and provide for fish and wildlife habitat. Establishment of certain practices in native vegetation will greatly reduce runoff of sediments, nutrients, pesticides, and pathogens from agricultural sources. CREP will also increase the water storage capacity of the watersheds through wetland restoration. Restoring native vegetation will increase wildlife habitat, which will benefit flora and fauna including threatened and endangered species. Other agricultural impacts mitigated by a CREP include fragmentation of riparian corridors, grasslands, and forestlands.

## **Goals**

The goals of the CREP II include:

- Reducing sediment loading in the three targeted watersheds by 420,000 tons per year;
- Reducing phosphorus loading in streams and rivers by 530,000 pounds per year;
- Helping to protect the drinking water supplies of 250,000 people by enrolling up to 8,195 acres of land in sensitive groundwater areas through the use of 14- to 15-year CREP contracts and 45-year RIM easements.
- Enhancing long-term fish and wildlife habitat in the targeted watersheds for the preservation of natural diversity of Minnesota's biological resources, including threatened and endangered species.
- Helping to protect 2,500 linear miles of streams, rivers and ditches by enrolling up to 61,897 acres of riparian buffers through the use of 14- to 15-year CREP contracts and 45-year RIM easements.
- Restoring up to 24,000 acres of wetlands and adjacent upland acres through the use of 14 to 15-year CREP contracts and permanent RIM easements. These wetland restoration measures will also help reduce future flood damage by increasing water storage capacity by 10,000 to 20,000 acre feet per year.
- Restoring up to 5,000 acres of flood-damaged land through the use of 14-to 15-year CREP contracts and permanent RIM easements.
- Enrolling up to 18,058 acres of highly erodible cropland with an Erodibility Index (EI) of 15 or greater to reduce soil erosion and achieve related high-priority natural resource benefits.
- Enrolling up to 2,850 acres of highly erodible cropland with an EI of 8 or greater to help reduce soil erosion through the use of contour buffer strips.

Up to 120,000 new acres of environmentally sensitive land within the three designated watersheds will be targeted with the following enrollment goals:

- 51,000 acres in the Red River Watershed in northwestern Minnesota;
- 51,000 acres in the Upper Mississippi Watershed in southeastern Minnesota;
- 18,000 acres in the Missouri and Des Moines River Watershed in southwestern Minnesota.

## **Basic Land Eligibility**

- Land must be cropland that is physically and legally capable of being cropped ;
- Has been cropped four of the last six years (1996 – 2001);
- Riparian areas – a perennial stream or a seasonal stream (containing water for only part of the year but more than just during and or after rainfall or snowmelt), wetland determined by Cowardin classification and permanent water body containing water throughout the year in all years;
- Wetland restoration – must be farmed wetland, wetland, or prior converted wetland that is entirely within a 100-year floodplain for CP23 or outside the 100-year floodplain for CP23A

- Flood damaged reduction area – offered acres must have 51% of the soils mapped as occasionally and frequently flooded and must be eligible for either the Farmed Wetland Program or the Emergency Conservation Program in the last 20 years;
- Flood damaged reduction areas which have 51 percent of the soils mapped as occasionally and frequently flooded, not to exceed 600 feet must contain one or more of the following; agricultural dikes in the flood plain, severe scour erosion, channel realignment problems, or areas that will provide direct offsite flood damage benefits to public infrastructure;
- Flood damaged reduction area must be identified within the local water plan and which provides long term flood reduction benefits; is recognized by a local governing board as providing flood reduction benefits;
- Be one of the following eligible for EWP or ECP in the last 20 years identified for possible flood mitigation, water retention and long range planning to be included in comprehensive water plans, watershed plans or county and city plans.

### **Producer Eligibility**

- The cropland must have been owned or operated for 12 months prior to being offered.

### **Sign-up and Contract Duration**

Sign-up for the CREP begins June 6, 2005, and continues until enrollment goals are attained, or through December 31, 2007, whichever comes first. Land enrolled in CREP remains under CRP contract for a period of 14 to 15 years, and a 45-year or perpetual RIM easement, as specified in the contract.

### **Approved Conservation Practices**

#### **Red River Watershed in Northwestern Minnesota:**

- CP2 Establishment of Permanent Native Grasses
- CP12 Wildlife Food Plots
- CP21 Filter Strips
- CP22 Riparian Buffer
- CP23 Wetland Restoration, 100- Yr Flood Plain
- CP23A Wetland Restoration, Non-Floodplain
- CP34 Structure for Flood Control

#### **Whole northwest counties are:**

Kittson, Marshall, Pennington, Red Lake, Polk, Norman, Mahnomen, Clay, Wilkin

#### **Partial northwest counties are:**

Northwest CREP area: Roseau, Lake of the Woods, Beltrami, Koochiching, Itasca, Clearwater, Becker, Ottertail, Grant, Stevens, Traverse, Big Stone

### **Payments**

Subject to contract terms and certain limitations, CREP participants will be eligible for the following types of FSA payments:

- 50 percent of the eligible reimbursable costs (cost-share) to establish CREP conservation practices. Cost-share reimbursement to CREP participants from all sources may not exceed 100 percent of the cost to install CREP conservation practices.
- A one-time Practice Incentive Payment (PIP) for CRP practices CP21, CP22, and cP 34 according to FSA's published national CRP directives.

- A one-time Signing Incentive Payment (SIP) for CRP practices CP21, CP 22, and CP34 according to FSA's published national CRP directives.
- A one-time 25 percent incentive for restoring the hydrology of the site payment for practices CP23 and CP23A according to FSA's published national CRP directives.

### **Payment Example:**

10 acres of CP21 offered for 15 years of CRP enrollment and 45 years of RIM easement:

Annual Rental	10 x \$50 acre x 30% incentive + \$5 maintenance = \$655
Total of CRP annual Rental payment	\$655 x 15 years = \$9,825
SIP	10 acres x \$10 x 15 years = \$1,500
CRP cost share (c/s)	10 acres x \$110/acre practice installation cost = \$1,110 x 50% = \$550
PIP	\$550 x 80% = \$440
RIM c/s	\$1,110 practice installation cost less CRP c/s of \$550 and CRP PIP of \$440 = \$210 RIM c/s
RIM Bonus Payment	Based on a percentage of the county assessor's estimated township market value for tillable farmland in the township of enrollment and 45-year easement length.

### **For More Information**

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